GOVERNMENT OF INDIA
DEFENCE
LOK SABHA

UNSTARRED QUESTION NO:2094
ANSWERED ON:27.08.2007
FUEL SCAM IN ARMY
Adhalrao Patil Shri Shivaji;Deora Shri Milind Murli;Owaisi Shri Asaduddin;Verma Shri Ravi Prakash

Will the Minister of DEFENCE be pleased to state:

(a) whether after meat, dal and liquor scandals, the Army seems to be grappling with fuel scams as reported in the `Times of India` dated May 29, 2007;

(b) if so, whether a massive pilferage of fuel in Rajasthan has been reported;

(c) if so, whether the Government has conducted any enquiry in this regard;

(d) if so, the details and outcome thereof; and

(e) the follow-up action taken against the persons found guilty and the steps proposed to be taken to prevent recurrence of such incidents?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF DEFENCE (SHRI A.K. ANTONY)

(a) to (e): A statement is attached.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 2094 FOR ANSWER ON 27.8.2007

An incident of unauthorized sale of fuel oil and lubricants in an Army Service Corps Battalion (Mechanical Transport) in Rajasthan was detected in a surprise check in 2004. This was an isolated incident and there is no massive pilferage of Fuel Oil Lubricant (FOL) in the Army.

2. A Court of Inquiry was ordered to investigate the case. The Court of Inquiry found prima facie involvement of three officers and thirteen Junior Commissioned Officers (JCOs) and Other Ranks (ORs). While four persons have been exonerated as the charges against them could not be proved, nine others have been awarded sentences ranging from `reprimand` to `dismissal` and `rigorous imprisonment for five years`. One officer has been sentenced `to be cashiered` and `rigorous imprisonment for one year` subject to confirmation and another officer has been sentenced `to be cashiered` subject to confirmation. Disciplinary proceedings against another officer is at an advanced stage.

3. The existing instructions have been reviewed. To prevent irregularities in future and to ensure good quality of supplies, following additional steps have been taken:-

(a) Reiteration of the existing rules, regulations and orders on provisioning, procurement, receipts, accounting, holding/storage, and issue of FOL products.
(b) Technical Instruction on Accountability of various functionaries associated with matters of FOL existing earlier has been made more comprehensive and issued to all concerned.
(c) Commanders and staff at all levels are being periodically sensitized on the issue.
(d) Existing Standard Operating Procedure (SOP) for accounting has been reviewed and made more comprehensive and issued.
(e) Guidelines on accounting and storage of FOL and prevention of FOL pilferage existing earlier have been reviewed and made more comprehensive and disseminated to all concerned.
(f) Provisions of Defence Procurement Manual (DPM) 2006 are being adhered to in all procurements/Purchases.